

4 March 1964

MEMORANDUM FOR: Deputy Director (Intelligence)

SUBJECT: Planning Group Meeting on S/P Paper "Policy Considerations Regarding Developments in Eastern Europe"

1. The discussion, loosely guided by [] followed a somewhat rambling and inconclusive course. There was general agreement that the trend of East European developments described in the paper (pp 13-44) -- decline of Soviet dominance, growing pressures for national independence -- was real and probably irreversible. There was less accord over how US policy could adapt itself profitably to this trend.

2. Nobody doubted that a return to a cold-war policy of hard-nosed containment -- in the belief that growing problems in Eastern Europe would eventually bring a breakdown -- was no longer feasible. Even if we wanted to follow this course, our allies would not. But there are aspects of our conduct -- denial of export licenses, "captive nation" resolutions -- which make it look as though we still expect Eastern Europe to crack up from such "pressures." Domestic politics was acknowledged to be a principal factor in producing the ambiguities and contradictions which appear in our policies.

3. Another option would be to actively develop our relations with Eastern Europe, making concessions on trade and other matters, and trying thereby to accelerate the process of change. It was argued against this that our influence is too limited to have any serious effect, even if we pursued such an open-handed policy. Moreover, should this course by some chance succeed, it might succeed too well: we would find ourselves competing directly with the Soviets for influence in the area. They might then harden their policies toward us and use forceful measures to preserve their hegemony.

4. The third alternative would be to ride in the wake of change in Eastern Europe, not trying to precipitate a dramatic separation of any state from Soviet influence, applying a measured

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carrot-stick policy, nudging these states with rewards and punishments in the direction of a slow increase of their independence. Allowing Western Europe to take the lead in building contacts and influence, it was argued, would be an appropriate concomitant of this line. If there was a consensus, it was on this alternative, but it was reluctant. This is not a policy of initiative, but waits upon events and therefore seems an inadequate response to an emerging opportunity. It calls for more flexibility than we seem able to exercise consistently, and it promises no sure returns.

5. Beyond these tactical problems, the S/P Paper argues, there lurk several ultimate and drastic contingencies if the present trends in Eastern Europe continue:

1) At some point the Soviets intervene forcibly to restore their domination in one or another Eastern European state. Do we take measures, and if so what measures, to prevent this?

2) The changes taking place in other East European states produce unrest in East Germany and finally an explosion. Do we intervene against Soviet suppression? What do we do if the West Germans intervene?

3) The Soviets foresee the eventual loss of control over Eastern Europe. They try to anticipate by moving seriously toward a settlement on the German issue, offering concessions of a kind they have never been willing to consider -- liberalization of the East German regime, troop withdrawals, confederation, eventual reunification. Would we be ready to meet this offer with concessions of our own, and would we entertain the fundamental revision of our alliance arrangements that would be implied?

6. All this was served up in one hour. The paper didn't have the answers and neither did the meeting. A pleasant lunch, sauced with lighter topics, followed. There will be no further meetings on S/P's paper.

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